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PROGRAMME PLANNING: COUNTRY AND INTERCOUNTRY PROGRAMMES AND PROJECTS

FIFTH COUNTRY PROGRAMME FOR CAMEROON

Programme period	Actual resources programmed	$
January 1992-December 1996	IPF	9 734 000
	Estimated cost-sharing	-
	Total	9 734 000

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I. DEVELOPMENT SITUATION, OBJECTIVES AND STRATEGIES

A. Current socio-economic situation

1. Background

1. Beginning in the 1970s - and until 1985-1986 - Cameroon experienced steady economic growth resulting from a dramatic rise in agricultural exports, chiefly cocoa and coffee, and in oil revenues. As a consequence, Cameroon's balance of payments was favourable and the surplus could be invested in the national economy. At the same time, Cameroon realized major progress in human development. The literacy rate went from 43.6 per cent in 1976 to 60 per cent in 1987. Life expectancy at birth rose from 38 years in 1970 to nearly 57 years in 1990 and the gross national product (GNP) rose by a yearly average of 3.6 per cent between 1965 and 1985. The human development index (HDI) - which is a relative measure (comparison among countries) of human development based on three indicators (income, level of education and life expectancy) - went from 0.228 to 0.378 between 1970 and 1985, representing an improvement of 0.15. Cameroon thus ranks 119th out of 160 States on a scale based on the progress achieved during the reference period.

2. Since 1986, Cameroon has been facing a major economic crisis brought on by the collapse of world oil, coffee and cocoa prices, which had disastrous repercussions on the public finances and served to block progress in human development. Moreover, this crisis exposed the predominance of the public sector (i.e., its role in the economy to the detriment of the private sector) and the inadequacy of the institutional environment. In 1987, the Government, on its own initiative, had taken adjustment measures, whose results, while positive, proved to be insufficient none the less.

3. This situation prompted the Government, in 1988-1989, to seek and obtain assistance from the International Monetary Fund (IMF), the World Bank, the African Development Bank (AfDB) and other bilateral donors in order to launch its programme to stabilize public finance and launch economic recovery.

2. Recent economic trends

4. The current economic situation in Cameroon is one of ongoing recession, as evidenced by a continual decline in the gross domestic product (GDP) since 1986; gradual depletion of State resources owing to a decrease in export income, with a resulting steady reduction in the State budget; an external debt which went from 857 billion CFA francs in 1985-1986 to 1,503.3 billion CFA francs in 1990-1991 (nearly 2,000 billion CFA francs in December 1991), representing 20.6 per cent and 47.3 per cent of the gross domestic product, respectively; a deficit in the balance of payments and treasury operations; mounting domestic and foreign arrears; a growing unemployment rate as a result of staff cutbacks in semi-public enterprises; and a recruitment freeze in the civil service.

3. Current major problems and medium-term prospects

5. Despite the progress already achieved in the implementation of its programme to stabilize public finance and launch economic recovery, the Government continues to face major problems, particularly the public deficit, the strain on the State treasury, external indebtedness, a shortage of bank liquidity, unemployment and the resulting socio-political implications. External disruptions reduce the certainty that positive expectations will be fulfilled.

6. The medium-term outlook will basically hinge on the gradual easing of all the above-mentioned difficulties, whose solution will depend on the dynamism of economic agents and their ability to assimilate and carry out the reforms undertaken. In this context, the Government intends to lay the groundwork for viable development which combines the requirements for economic growth, poverty eradication and environmental preservation.

7. The Government will focus its efforts on pursuing all the major priority programmes for recovery on which it is focusing its activity with a view to curbing the continuing economic decline - activities under the new agricultural policy, the processing of local raw materials and the whole range of measures to restore a favourable economic environment.

B. National development objectives and strategies

8. In view of the need to eliminate the above-mentioned problems which impede the recovery of economic activities, the Government has undertaken to explore new options with a view to rationalizing economic management: making public sector and semi-public enterprises more efficient; restoring the liquidity of the banking system; stimulating the private sector; creating an environment favourable to the creation of income-generating activities and new jobs; and taking into account environmental concerns in a viable long-term development perspective.

9. The Government has just taken a whole series of measures to improve the environment and promote economic recovery. In the legislative and regulatory sphere, an industrial free zone system has been set up, a new investment code has been adopted, the conditions governing commercial and industrial activity have been eased and plans for restructuring public and para-public corporations have been applied. In the institutional sphere, the Government has launched a number of economic recovery measures. Several reforms are in preparation (reform of the civil service, administrative reform and restructuring of the tax system). The capacities of the national administration will be strengthened to enhance the impact of these reforms.

10. As indicated in its statement of strategy, the Government is determined to promote the development of small- and medium-sized enterprises. The inputs of the various donors will therefore have to be integrated into a coherent overall plan which the Government intends to design for this purpose.

11. Because of the wealth, diversity and scale of the country's ecosystem, environmental protection and management are crucial, and the Government plans to devise a comprehensive strategy for enhanced natural resources management. This will increase output, and hence State revenues, while preserving the integrity of the ecosystem and ensuring that adequate resources are available for the future, thereby contributing to both sustainable development and human development.

12. Implementing such a reform programme requires substantial resources, which the Government intends to mobilize. Negotiations with the International Monetary Fund (IMF) and the Paris Club attest to the Government's determination to secure sufficient appropriate resources from the international community and friendly countries.

13. In executing the various programmes, account will be taken of the country's long-term development prospects. National experts will be closely involved and international expertise will be sought only where there is a shortage of national capacities.

II. EXTERNAL COOPERATION

A. Role of external cooperation

14. Official development assistance (ODA), which goes mainly to the agriculture, education and transport sectors, totalled $470 million in 1989 as compared with $284 million the year before. The French Government led the way among bilateral donors in 1988, providing 45 per cent of all ODA, followed by Germany (9.6 per cent), the United States (8.1 per cent), the Netherlands (6.1 per cent) and Canada (5.3 per cent). Among multilateral organizations, the European Economic Community (EEC) (10.7 per cent of all ODA) came ahead of the United Nations system (5.4 per cent).

15. Resources allocated to technical cooperation totalled $118 million. The technical contribution of the United Nations Development Programme (UNDP) accounted for 5 per cent of the total.

B. Aid coordination arrangements

16. Aid coordination in Cameroon is in drastic need of improvement. The Government intends to undertake this task in order to maximize the benefits, eliminate duplication and increase the impact of foreign aid. The Government has yet to organize a Consultative Group meeting or a round-table conference and little progress has so far been made in promoting systematic exchanges of information with its partners at the national level. The attempts made thus far at the sectoral level, particularly in agriculture, industry and education, and at the multi-sectoral level, for instance, the social dimension of structural adjustment, are promising beginnings which the Government intends to pursue in order to make them effective.

17. Exchanges of information among the main donors are irregular. The Government's strategy is to promote coordination at the national level through the Ministry of Planning. The proposed programme approach requires a high degree of coordination in order to ensure that the different programme components are perfectly integrated. It is here that the Government would like UNDP to play a decisive role. Accordingly, study groups on small- and medium-sized enterprises and the environment have been set up within the United Nations system at the initiative of UNDP.

18. Using this approach, the Government hopes to harmonize the programming cycles of United Nations agencies belonging to the Joint Consultative Group on Policy (JCGP); each agency would then be responsible for activities falling within its mandate and sphere of competence.

19. The programme approach, the launching of the national technical cooperation assessment and programmes (NATCAP) process and the cooperation among donors which underlies that process will lay the bases for effective overall coordination. The Government is counting on the active participation of UNDP to help make this strategy succeed.

III. THE COUNTRY PROGRAMME

A. Assessment of ongoing country programme

20. The fourth country programme (1987-1991) focused on two main areas of assistance: rural development, in the form of support for the Government's programme to promote medium-sized agricultural enterprises, and industrial development, in the form of support for industrial sector policy. The programme also supported the Government's efforts in the areas of transportation, telecommunications, trade, employment and tourism. Projects for restructuring and overhauling public corporations and State agencies were included in the fourth programme to meet the new needs created by the economic crisis.

21. It should be emphasized that the fourth programme was formulated at a time when economic growth was only just beginning to slow down. While the programme was being executed, the country's economic and financial situation deteriorated significantly. This overall deterioration made it impossible for the Government to meet its needs or to honour its commitments in terms of its financial input into projects and recurrent costs. This placed an additional burden on the indicative planning figure (IPF) for the fourth cycle and resulted in over-programming.

22. The mid-term review in May 1989 and the programme evaluation in the first quarter of 1991 confirmed the relevance of the objectives, priorities and strategies defined when the programme was first approved. The programme has achieved a number of positive results, of which the main ones are as follows:

(a) In the rural development area, the introduction of appropriate technologies through the "reducing post-harvest losses" and "women and food technology" projects has made it possible to increase the incomes of small farmers. The "promotion of the cooperative movement" project has helped create a legal environment favourable to the autonomous, profitable cooperative movement through the drafting of a preliminary bill on cooperatives and commercial group farms;

(b) In the industrial development area, the Government drew up the master plan for industrialization with technical cooperation from UNDP. This master plan has had a genuine, decisive impact on the Government's economic reforms. Two results of this are the investment code and the process of economic liberalization;

(c) In the area of support for the public sector, studies of public and para-public enterprises provided the Government with relevant information on their economic and financial situation, enabling it to draw up plans for restructuring enterprises which are to remain in the public sector, to wind up unprofitable corporations and to privatize those in the sector which the Government wants to hand over to private interests;

(d) Many projects under the fourth programme have succeeded in developing and strengthening the Government's capacities to plan, analyse, evaluate and develop individual and collective skills;

(e) A very positive aspect of the implementation of the programme was the increasing use made of national human resources. There was a substantial decline in the number of resident international experts and a corresponding increase in the number of national experts and consultants, supported by international consultants.

23. The evaluation mission on the fourth country programme identified a number of shortcomings, however, relating, in particular, to the organization of counterpart personnel (delays in assignment or unsuitable profiles), resulting in an uneven transfer of knowledge, inadequate evaluation of project needs and limited coordination of assistance from agencies of the United Nations system.

24. The programme approach will make it possible to have an overall programme and more coordinated, judicious and systematic inputs from other donors. On the basis of this approach, special measures will be taken to bring about a progressive transfer of responsibilities in the direction of national execution, paying particular attention to better selection and stability of national counterparts and officials. In addition, a more realistic evaluation of needs will be required so as to ensure the optimal attainment of objectives.

25. Throughout the fourth programme, the Government greatly appreciated the contribution made by UNDP for its multilateral, neutral and flexible nature; its facilities for access to various sources of information, and to the

expertise, technology and experiences of other developing countries; its catalytic role in the mobilization of resources; and its role of coordination of the operational activities of the United Nations system.

B. Proposals for UNDP cooperation

1. Preparatory process

26. The preparation of the fifth country programme (1992-1996) required a series of consultations with UNDP, the specialized agencies of the United Nations system and the main multilateral and bilateral financing bodies.

27. An in-depth analysis of the situation in Cameroon was made from the point of view of its greatest needs and its capacity to absorb technical cooperation, and the priority objectives for the programme were defined. The analysis was based on: the mid-term review; the evaluation of the fourth country programme; the conclusions of the mission by the United Nations Population Fund (UNFPA); consultations with local JCGP offices on the possibilities of streamlining the programming exercise; the Statement of Development and Economic Recovery Strategy of May 1989; policy reforms and various documents drawn up on the situation in Cameroon; sectoral policies; the report on human development in Cameroon; and the results of the work of the three identification missions of the Management Development Programme.

28. UNDP and agencies of the United Nations system held discussions on the UNDP advisory note. These consultations made it possible to define the Government's needs more clearly within the framework of a programme approach. The Government officially confirmed its agreement to the main subjects and options and the programme approach presented in the advisory note and reiterated that the approach was in line with its concerns. Support missions financed by UNDP were conducted in Cameroon on the topics of small- and medium-scale enterprises and the environment; they were able to ascertain the views of the various participants on different aspects of these topics and to pinpoint priority needs in these spheres. This document, that is being submitted by the Government, is the outcome of these extensive consultations.

2. Strategy for UNDP cooperation

29. The fifth country programme will adopt the programme approach in the areas of concentration where UNDP resources are to be utilized. In view of the very limited resources, consultations will be held later with the donors assisting in each specific sector.

30. This programme is based on the Statement of Development and Economic Recovery Strategy of May 1989. Its objectives are in line with the priority concerns set forth in that statement. They are focused on three main sectors: (a) economic management; (b) promotion of small- and medium-scale enterprises in the primary, secondary and tertiary sectors; and (c) protection

and management of the environment. The development policy for the next five years places special emphasis on the establishment, strengthening and improvement of national capacity and the management of assistance through more effective coordination of that assistance. It aims to create a solid basis for lasting and dynamic development and to promote sustained human development in an autonomous manner.

31. The priority objectives of the fifth country programme and the resulting areas of assistance do not cover all sectors and activities of the national economy. This strategic choice is proposed because of the very limited resources and in order to ensure that the technical cooperation provided during the fifth programme is concentrated in key sectors so as to have an optimal impact on development. This will also avoid dispersal of the resources mobilized.

32. In order to promote human development in the fifth programme, the Government plans to organize a meeting of officials and donors to review the results of the study on human development in Cameroon; the objective would be to demonstrate the importance of incorporating human development issues into Cameroon's development strategies. The recommendations of this meeting will be taken into account in future initiatives.

33. In view of the advantages offered by UNDP cooperation, which have already been mentioned, the Government plans to use UNDP resources to develop and strengthen the capacity of the administration to manage clearly defined programmes and, where appropriate, to formulate integrated global policies and plans of action for their implementation, and to conduct the most critical activities, particularly the mobilization of additional resources and coordination. The Government also hopes to receive separate technical assistance from UNDP in special areas. Moreover, it appreciates the role that UNDP can play as catalyst by providing a small amount that will encourage other donors to provide additional resources.

3. Proposed UNDP cooperation in selected areas of concentration

THEME I: Economic management

34. The objective of this topic is to tackle one of the major difficulties in the restructuring of the economy through rationalization of the public sector, including semi-public companies, within the context of efforts to limit public expenditure, increase income and improve the efficiency of the public sector. The results of the recent study on human development in Cameroon will make a significant contribution to this exercise. There is also a need to establish a framework for the restructuring of the economy and general guidelines for long-term economic growth through the formulation of a Long-Term Perspective Study and a NATCAP process. This objective is in line with the strategy for development and economic recovery, the main components of which are designed to:

(a) Stabilize public finances in the medium term;

(b) Improve the productivity of the public administration;

(c) Rationalize the management of public and semi-public companies;

(d) Continue the rehabilitation of enterprises of the public and semi-public sectors; and

(e) Promote the institutional reforms needed to launch the economic recovery.

35. In the context of the sectoral objectives relating to the stabilization of public finances and the rationalization of the public sector, the structural adjustment programme provides for major reforms of the public administration designed to improve delivery of services and increase the efficiency of their operation. Within the framework of the economic management support project, the Government is formulating a general strategy for the organization of ministries on the basis of which organizational and staffing plans for individual ministries will be drawn up. UNDP will provide support, through the Management Development Programme, to the Government's efforts to implement this general strategy so as to bring about a significant and lasting improvement in the management capacity of the public sector.

36. The NATCAP process which was launched in 1991 is an essential instrument that will enable the Government and in particular the economic and technical cooperation office of the Ministry of Planning and Land Management, which is the focal point of external assistance to Cameroon, to make better use of technical cooperation and manage it more effectively.

37. Furthermore, a long-term perspective plan is essential in order to see the long-term picture and thus to ensure that resources are managed in such a way as not to jeopardize long-term goals. This plan will also make it possible to place economic development within the regional and subregional context. The regional UNDP project "Long-Term Perspective Study" (LTPS), will provide the studies needed for such a plan. The Human Development Report 1991 provides data concerning trends in the main social indicators in Cameroon during the period 1970-1990. It will prompt all development agents from Cameroon to ponder deeply on how to mobilize resources and how to seek the vital elements of planning and management of human development, while enhancing the effectiveness of statistical activities. More specifically, the economic management programme will strengthen macroeconomic analysis capacities to integrate the social dimensions and human development in the preparation of policies and programmes. In addition, support will be given to the establishment of certain sectoral plans while strengthening the Ministry of Planning's coordinating role.

38. At the end of the programme, a long-term perspective plan will have been launched, a technical cooperation policy adopted and applied as a matter of course and the management of the economy will have been streamlined.

39. Approximately 20 per cent of IPF resources, that is to say $1,967,000 will be devoted to development of the economic management programme. To this should be added MDP resources in the order of $1 million and NATCAP resources of $500,000 and LTPS funds which remain to be determined. Supplementary resources will be sought at the level of regional and interregional programmes and other external sources of financing.

THEME II: Promotion of small- and medium-scale enterprises in the primary, secondary and tertiary sectors

40. One of the main assumptions of the Statement of Development and Economic Recovery Strategy of May 1989 is that the role of the State should be reoriented so that the State becomes an intermediary that will facilitate the operations of the private sector, particularly of small- and medium-scale enterprises, including handicrafts enterprises, while minimizing its direct control of the production and distribution system.

41. Small- and medium-scale enterprises encounter serious technological, organizational and management difficulties resulting in high costs that often affect their competitiveness on national and foreign markets. Despite the improvements that have taken place in respect of legislation and regulations, access to credit continues to handicap the development of small- and medium-scale enterprises. Efforts to support them would have had greater impact had they been carried out as part of a coherent plan.

42. In order to meet the above-mentioned concerns, a programme approach is being proposed for the promotion of small- and medium-scale enterprises; this will establish systematic links with development in the primary, secondary and tertiary sectors at the urban and rural levels; a clearly defined overall strategy and an action plan for its implementation. This approach will also determine ways and means of mobilizing resources. Moreover, special emphasis will be placed on institutional capacity, both in the public sector and in the private sector, so as to enable small- and medium-scale enterprises to carry out their activities in an optimum manner.

43. Resources allocated to this theme will be used for drawing up and launching a comprehensive policy, enhancing and maintaining an environment favourable to the growth and development of small- and medium-scale enterprises, strengthening the effectiveness of the Office of Small- and Medium-Scale Enterprises and Handicrafts enterprises (DPMEH), and improving the information exchange system. The programme will provide direct and indirect support to small- and medium-scale enterprises in the field of management training, transfer of appropriate technology, standardization and quality control. Efforts will also be made to increase the participation of women in the various production activities. In this context, the United Nations Development Fund for Women (UNIFEM) will provide direct support to small- and medium-scale enterprises set up by women in the context of activities relating to appropriate technologies. A multi-disciplinary mission is planned for the first quarter of 1992 to work out the details of the programme for the promotion of small- and medium-scale enterprises.

44. The programme will use the resources of regional projects financed by UNDP such as AFREDI (African small enterprise development initiative (RAF/87/145)), the micro-enterprise project (RAF/87/151) and other regional, interregional and global projects with a view to promoting contacts and cooperation at the regional, subregional and global level. Success will be measured by the number of viable small- and medium-scale enterprises, their turnover and by the number of production jobs created and sustained.

45. Using the results of the study on human development in Cameroon, poverty alleviation, especially in the comparatively disadvantaged provinces, participatory development, management of natural resources and integration of women in development will be reflected through the programme to promote small- and medium-scale enterprises.

46. Financing of the small- and medium-scale enterprise programme will account for 30 per cent of IPF, that is to say approximately $2.9 million. To that will be added $500,000 from UNIFEM to finance activities relating to appropriate technologies for women's small- and medium-scale enterprises.

THEME III: Protection and management of the environment

47. A great number of bilateral and multilateral donors, non-governmental organizations (NGOs) and community groups are already lending their support in the area of protection of the environment. Action is scattered, and the partners act within the strict framework of their own mandates and according to their own methods.

48. In order to resolve this problem, the Government proposes to draw up a comprehensive environmental policy. This policy would, on the one hand, improve coordination of sectoral activities and ensure optimum exploitation of space and natural resources. On the other hand, it would help identify an appropriate institutional framework for management of the environment.

49. In order to deal with the shortcomings of administrative structures having functions and responsibilities concerning the environment, the Government is requesting support for and reinforcement of their capacities. In that context, the programme will seek first to develop a policy and action plan for the protection and management of the environment, to strengthen the capacities of the Office for Town and Country Planning, which has the lead role, and to raise the consciousness of the people through seminars or other events. In addition, it will provide selective technical cooperation (material and logistic support) to the sectoral ministries having substantial responsibilities in the field of the environment, direct support for initiatives that count on the role of women in the environment and support for follow-up of the recommendations of the United Nations Conference on Environment and Development, which is scheduled to take place in Brazil in 1992.

50. The Government welcomes the collaboration of UNDP and the United Nations Sudano-Sahelian Office (UNSO) in the preparation of the report which it is to

submit to the United Nations Conference on Environment and Development. The report will give a general overview of environmental problems and make suggestions for sustainable development based on priority areas. Furthermore a plan of action to combat desertification is currently being prepared by means of project CMR/89/X02. The project on the strengthening of capacities for implementing the tropical forests plan of action (CMR/88/004) will be continued. Negotiations are under way for receiving resources from the Global Environment Facility (GEF).

51. The indicators of success of this theme will be the enhanced capacity of government structures to plan environment actions and to manage the programme.

52. The environment programme will account for 30 per cent of IPF, in other words $2.9 million, to which will be added related UNSO funds in the amount of approximately $500,000 in the context of continued efforts to promote an integrated soil management system in the most affected areas of the country. The Government will place particular emphasis on the environment/population problem as part of the population policy facet which is to receive $750,000 in financial assistance from UNFPA during the period 1992-1996. Furthermore, as part of the World Food Programme's programme for Cameroon for the period 1992-1996, the Government plans to make rational use of the $4,024,000 allocated by WFP for the environment facet.

C. Assistance outside main country programme areas

53. Other key programme areas, particularly Striga, a parasite that attacks wheat crops in the northern part of the country, acquired immunodeficiency syndrome (AIDS), and the fight against cholera, also require assistance from the regional programme, special funds and large-scale support from many donors. Also, within the framework of the plan of action for the implementation of the recommendations for the follow-up to the World Conference on Education for All, proposals for joint activities will be made by UNDP, the United Nations Children's Fund (UNICEF), the United Nations Educational, Scientific and Cultural Organization (UNESCO), and the World Bank with a view to promoting programmes in the area of basic education. In addition, certain ongoing projects which are not covered by the three programme areas selected will be continued and will absorb 8 per cent of the IPF.

D. Implementation and management arrangements

54. In applying the programme approach, the Government will utilize the IPF resources to draw up an integrated programme and plan of action in each one of the programme areas related to small- and medium-scale enterprises and to the environment. Emphasis will be placed on institutional aspects and capacities, resource mobilization, coordination, and certain specific interventions clearly defined during the elaboration of the programme. The traditional approach will continue to be used in the execution of programmes aimed at strengthening economic management capacity.

55. During the transition period, preparatory work will be undertaken on the implementation of certain projects with a view to the execution of a subsequent phase that will be integrated into the programme approach and the guidelines adopted for the fifth country programme.

56. Every effort will be made during the fifth programme to achieve a substantial increase in the rate of 11 per cent of the IPF executed by the Government during the fourth programme. The cooperation of the agencies of the United Nations system will be required mainly for project formulation, advisory and consultative services, technical backstopping, quality control and the placement of trainees and fellows. The programme will continue to rely on the skills of United Nations Volunteers and of national development services for project execution.

57. The programme approach will require improved management capacities. For each programme area, the Government will therefore propose a system to assess the activities carried out and to facilitate an exchange of views in order to be aware of the reactions of all parties to the impact of ongoing activities. Multisectoral and multi-disciplinary reviews will be conducted on a regular basis. Programmes in support of small- and medium-scale enterprises and the protection and sound management of the environment will be thematically assessed through progress reports and programme evaluations. The economic management programme as well as other project activities under the fifth programme will follow the traditional procedures for follow-up and assessment. The programme will be subject to a mid-term review and an in-depth evaluation.

58. The Government will explore with various donors the possibilities of co-financing the programmes.

Annex I

FINANCIAL SUMMARY

I. ESTIMATED RESOURCES (IPF plus cost-sharing) TAKEN INTO ACCOUNT FOR PROGRAMMING

	(Thousands of dollars)	
Carry-over from fourth-cycle IPF	(5 403)	
Fifth-cycle IPF	15 137	
Subtotal IPF		9 734
Project cost-sharing (Government)	-	
Project cost-sharing (third-party)	-	
Programme cost-sharing	-	
Subtotal cost-sharing		-
TOTAL		9 734

II. ALLOCATION OF RESOURCES (IPF plus cost-sharing) BY AREA OF CONCENTRATION

Area of concentration	Thousands of dollars			Percentage of total resources
	IPF	Cost-sharing	Total	
Small and medium-scale enterprises	2 900	-	2 900	30
Economic management	1 967	-	1 967	20
Environment	2 900	-	2 900	30
Other	1 967	-	1 967	20
Subtotal	9 734	-	9 734	100
Unprogrammed reserve	-	-	-	-
TOTAL	9 734	-	9 734	100

III. NON-CORE ASSISTANCE FROM OTHER SOURCES USED IN AREAS OF CONCENTRATION

(Thousands of dollars)

A. UNDP-administered funds		
SPR*	1 500	
UNCDF	-	
UNSO	500	
UNIFEM	500	
United Nations Revolving Fund for Natural Resources Exploration	500	
United Nations Fund for Science and Technology for Development	-	
Subtotal		2 500
B. Other United Nations resources		
JCGP participating agencies		
UNFPA	7 500	
UNICEF**	10 565	
WFP	17 000	
IFAD	-	
Other United Nations agencies (non-UNDP financed)	-	
Global Environment Facility	-	
Subtotal		35 065
Total special-purpose and other United Nations resources		37 565
C. Non-United Nations sources		-
TOTAL		37 565

* Special programme resources comprising $1 million from the MDP and $500,000 in NATCAP funds.

** $4.9 million in core and $5.665 million in non-core resources.

Annex II

PROGRAMME MATRIX

	Main programme area a/					
Main programme area	Poverty eradication and grass-roots community participation	Environment and natural resource management	Management development	TCDC	Transfer and adaptation of technology	WID
I. ECONOMIC MANAGEMENT						
Management development in the public sector	*		*			
Improved foreign aid coordination			*			*
Long-term perspectives		*	*			*
II. PROMOTION OF SMALL- AND MEDIUM-SCALE ENTERPRISES IN THE PRIMARY, SECONDARY AND TERTIARY SECTORS						
Promotion of small- and medium-scale enterprises	*		*	*	*	*
Support for the formation of small- and medium-scale enterprises				*	*	
Participation of women in small- and medium-scale enterprises	*				*	*
III. MANAGEMENT AND PROTECTION OF THE ENVIRONMENT						
Strengthening of MINPAT		*	*			
Strengthening of the role of women in environmental programmes		*			*	*
Implementation of the plan of action for tropical forests	*					

a/ Asterisks indicate major linkage only.

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PROGRAMME PLANNING: COUNTRY AND INTERCOUNTRY PROGRAMMES AND PROJECTS

FIFTH COUNTRY PROGRAMME FOR CAMEROON

Note by the Administrator

I. THE PREPARATORY PROCESS

1. The fifth country programme for Cameroon (1992-1996) is the result of a programming exercise that began with an in-depth evaluation of the fourth country programme (1987-1991). The evaluation noted that in an attempt to adapt to the worsening economic situation, the programme had spread its limited resources too thinly to cover 47 projects, thus limiting programme impact. It was also discovered that more extensive consultations with United Nations agencies and the donor community, as well as more efficient coordination by the Ministry of Planning, would have greatly improved programme quality.

2. The results of the evaluation and the orientation for the fifth country programme were discussed with the line ministries involved in programme implementation, agencies of the United Nations system and other bilateral and multilateral donors using as the main frame of reference the Government Statement of Development and Economic Recovery Strategy issued in 1989. At the same time, consultations were undertaken within the Joint Consultative Group on Policy (JCGP) to streamline the programming exercise. Three main sectors were selected by the Government for United Nations Development Programme (UNDP) intervention during the fifth country programme, namely, economic management, the promotion of small- and medium-scale enterprises and industries and the protection and management of the environment.

3. The consultations also brought issues of human development to the forefront, and a UNDP-sponsored study was conducted in December 1990 on human development in Cameroon covering the 1970-1990 period. A major conclusion of this study was that the deteriorating human development situation, characterized by regional and sectoral growth disparities, was likely to worsen significantly if the Government did not take urgent economic policy measures that were compatible with adjustment needs.

4. UNDP-sponsored preparatory sectoral missions on small- and medium-scale enterprises and the environment, as well as a United Nations Conference on Environment and Development (UNCED)-related national seminar on the environment in Cameroon, were organized in December 1991 to assist in determining requirements and modalities for a multidisciplinary programming exercise. The management of this consultation process by the Government and the full involvement of bilateral and multilateral donors will greatly enhance the Government's capacity to manage donor inputs in these sectors in line with the ongoing national technical cooperation assessment and programme (NATCAP) process.

5. The fifth country programme is built on the judicious use of very limited indicative planning figure (IPF) resources and conceived basically as a catalyst to guarantee maximum impact and increase government involvement in the implementation process.

II. ANALYTICAL COMMENTARY ON THE FIFTH COUNTRY PROGRAMME

6. The deep economic recession that prevailed during the fourth country programme has persisted into the fifth programme and is characterized by a continuous fall in gross domestic product (GDP) since 1986, a substantial balance of payments deficit, an accumulation of external and internal debt, rising unemployment fueled by massive lay-offs and a freeze on public service recruitment. The production of the main export crops registered record declines in the 1989-1990 agricultural season, ranging from 1 per cent for cocoa to 37 per cent for coffee and cotton.

7. Within this context, the Government set as its most urgent priorities the stabilization of public finances and adopted a Structural Adjustment Programme. To this effect the statement of development and economic recovery strategy was issued in May 1989 outlining the Government's efforts to revive the economy and encourage balanced development in the future. The second phase of the Structural Adjustment Programme is currently being negotiated.

8. The major components of the economic recovery strategy are: (a) stabilizing public finances in the medium term; (b) improving public investment programming, budgeting and monitoring; (c) improving civil service productivity; and (d) fostering institutional reforms.

9. The three themes to be addressed by the fifth country programme for Cameroon - economic management, the promotion of small- and medium-scale enterprises and protection and management of the environment - adequately reflect the fundamental concerns of the Government as reflected in its Statement of Development and Economic Recovery Strategy.

10. Economic management issues will be addressed through joint efforts with regional and other initiatives such as Long-Term Perspective Studies, the Management Development Programme (MDP) and the recently launched NATCAP exercise which will be actively pursued in 1992. An important feature of UNDP intervention in this area in the fifth country programme will be the technical cooperation provided to the Ministries of Planning and Public Service to create the capacity needed to manage the technical cooperation process and help implement the Government's recovery strategy. The fifth programme will also provide technical cooperation to improve productivity in the public service and thus help bring about much needed reform through improved budget planning and management of the Government's resources.

11. While support for small- and medium-scale enterprises constitutes a key element of the Government's private sector strategy, policy weaknesses in this area represent a major risk of failure. These weaknesses have been manifested through poor subsectoral coordination and lack of training and technological, organizational and managerial support, all of which affect private sector competitiveness. UNDP activities during the fifth country programme will help promote an enabling environment. A programme approach aimed at addressing these key weaknesses as well as undertaking strategic interventions will stimulate private sector activities. Emphasis will be placed on agricultural, industrial and commercial small- and medium-scale enterprises and on institutional capacity both for coordination and for resource mobilization. Important reference tools in this respect will be the Industrial Development Master Plan elaborated during the third and fourth country programmes and the ongoing cooperative sector reform programme.

12. UNDP intervention in the area of env .onmental protection and management will deal mainly with policy at the community and national level. Policy dialogue has already been initiated, through a UNDP/United Nations Sudano-Sahelian Office (UNSO) programming mission between the Government and interested donors. In line with the programme approach, the first step will be to assist the Government in setting up an environmental policy framework and action plan with emphasis on the required technical and institutional capacity to coordinate the numerous activities currently being implemented in this area. UNDP will link its actions with such ongoing multilateral and bilateral initiatives as UNCED and the Global Environment Facility. The policy framework and action plan will also permit cohesion and a better integration of United Nations and other donor cooperation, such as the UNSO anti-desertification plan of action.

13. The programme addresses directly five of the six areas of focus designated by Governing Council decision 90/34 of 23 June 1990. Poverty eradication and grass-roots participation in development will be addressed by the promotion of agricultural small- and medium-scale enterprises at the grass-roots level through a revived and revamped cooperative movement and through commercial group farms. In this regard, ongoing programmes to adapt simple food transformation technologies will be strengthened to form the basis for village-level agricultural enterprises. Environmental problems and natural resource management constitute an area of concentration. Management development will be addressed by the economic management theme which aims, among other things, to strengthen the Government's Public Service and Planning Ministries through the ongoing NATCAP exercise and the MDP. Assistance to the Government outside the three areas of concentration will include the strengthening of an ongoing women and food technology programme. At the same time, during programme formulation, in close collaboration with the United Nations Development Fund for Women (UNIFEM), women's concerns will be addressed, especially in the area of agricultural small- and medium-scale enterprises where women constitute over 70 per cent of the farming population.

14. UNDP strategy to promote human development concerns during the fifth country programme will consist mainly of helping the Government organize nationwide dialogue on the findings of the Human Development Report 1991 and continue efforts to incorporate human development concerns into the Government's economic recovery strategy. UNDP intervention in the area of economic management during the fifth country programme will also seek to include the findings and recommendations of this study within the Government's management development initiatives, especially those designed to improve budget planning and implementation.

15. In response to other issues of global concern, the fifth country programme will enable UNDP to serve as a catalyst for government and donor initiatives in response to the acquired immunodeficiency syndrome (AIDS) pandemic, while government education programmes presently envisaged as a follow-up to the World Conference on Education for All will receive the joint support of UNDP, the United Nations Children's Fund (UNICEF), the United Nations Educational, Scientific and Cultural Organization (UNESCO) and the World Bank through the promotion of basic education.

III. MANAGEMENT OF PROGRAMME IMPLEMENTATION

16. The adoption of the programme approach by the Government should enable greater impact to be attained with limited UNDP resources. A major thrust of the fifth country programme for Cameroon is the strengthening of the Government's capacity to manage national programmes, including the entire aid coordination process with the NATCAP exercise as the starting point. In this broad context, national execution will be raised considerably from the 11 per cent level attained during the fourth country programme. Increased use will also be made of national experts, United Nations Volunteers (UNV) and non-governmental organizations (NGOs).

17. With regard to the two programmes for which the full programme approach is envisaged, namely, the promotion of small- and medium-scale enterprises and the protection and management of the environment, there will be an urgent need to establish coherent policy frameworks. In this respect steps have been taken to ensure that detailed programme formulation by multidisciplinary missions be a government-managed process from the outset. Participatory systems of management and control for the two programmes (e.g., steering committees) will be established. In addition, government capacity to monitor and evaluate the programme will be strengthened.

18. The programmes for small- and medium-scale enterprises and environmental protection will be monitored through programme progress reports and evaluations. The third theme - economic management - and other project activities of the programme will carry on existing monitoring and evaluation procedures. A mid-term review and an end-of-cycle in-depth evaluation will also take place. Key officials at the Ministry of the Plan and Regional Development in the Office of the Prime Minister are receiving special briefings and attending workshops on the programme approach, the NATCAP process and national execution. The implementation of the NATCAP exercise during the first year of the programme will provide the Government with the technical tools needed for coordination. Informal sectoral consultations between United Nations agencies and other donors will be actively pursued to facilitate and complete the Government's coordination efforts.

IV. RECOMMENDATION OF THE ADMINISTRATOR

19. The fifth country programme for Cameroon addresses key concerns of the Government in its efforts to fight the prevailing deep economic recession, as well as fundamental issues of global concern, as designated by Governing Council decision 90/34. It focuses on sustainable human development, with national capacity-building as an implementation strategy.

20. The Administrator recommends that the Governing Council approve the fifth country programme for Cameroon.